

2000 GENERAL ASSEMBLY

FB 2000-2002

CONFERENCE BUDGET REPORT ANALYSIS

**J. NATURAL RESOURCES AND
ENVIRONMENTAL PROTECTION**

APRIL 14, 2000

2000 REGULAR SESSION
FB 2000-2002
CONFERENCE BUDGET REPORT ANALYSIS

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CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Function Summary

Cabinet/Function: Natural Resources and Environmental Protection

Appropriation Unit:

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	58,022,800	58,022,800	58,022,800	58,815,500	58,815,500	59,515,500	61,715,000	61,715,000	62,415,000
Restricted Funds	38,177,800	38,177,800	38,177,800	34,349,900	34,349,900	34,349,900	35,469,300	35,469,300	35,469,300
Federal Funds	57,928,500	57,928,500	57,928,500	61,868,700	61,868,700	61,868,700	62,244,300	62,244,300	62,244,300
Regular Total Funds	154,129,100	154,129,100	154,129,100	155,034,100	155,034,100	155,734,100	159,428,600	159,428,600	160,128,600
General Fund Continuing									
GRAND TOTAL FUNDS	154,129,100	154,129,100	154,129,100	155,034,100	155,034,100	155,734,100	159,428,600	159,428,600	160,128,600
II. EXPENDITURE CATEGORY									
Personnel Costs	94,018,500	94,018,500	94,018,500	94,252,200	94,252,200	94,437,200	98,284,700	98,284,700	98,494,700
Operating Expenses	15,449,400	15,449,400	15,449,400	16,630,800	16,630,800	17,045,800	16,691,900	16,691,900	17,106,900
Grants, Loans, Benefits	22,937,700	22,937,700	22,937,700	23,498,900	23,498,900	23,498,900	22,747,500	22,747,500	22,747,500
Debt Service				203,000	203,000	203,000	1,473,000	1,473,000	1,473,000
Capital Outlay	4,723,500	4,723,500	4,723,500	3,449,200	3,449,200	3,549,200	3,231,500	3,231,500	3,306,500
Construction	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000
TOTAL EXPENDITURES	154,129,100	154,129,100	154,129,100	155,034,100	155,034,100	155,734,100	159,428,600	159,428,600	160,128,600
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	58,022,800	58,022,800	58,022,800	56,906,600	56,906,600	56,906,600	58,509,400	58,509,400	58,509,400
Restricted Funds	38,177,800	38,177,800	38,177,800	32,098,300	32,098,300	32,098,300	32,576,800	32,576,800	32,576,800
Federal Funds	57,928,500	57,928,500	57,928,500	60,095,100	60,095,100	60,095,100	60,206,700	60,206,700	60,206,700
Regular Total Funds	154,129,100	154,129,100	154,129,100	149,100,000	149,100,000	149,100,000	151,292,900	151,292,900	151,292,900
General Fund Continuing									
TOTAL BASE LEVEL	154,129,100	154,129,100	154,129,100	149,100,000	149,100,000	149,100,000	151,292,900	151,292,900	151,292,900
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				1,908,900	1,908,900	2,608,900	3,205,600	3,205,600	3,905,600
Restricted Funds				2,251,600	2,251,600	2,251,600	2,892,500	2,892,500	2,892,500
Federal Funds				1,773,600	1,773,600	1,773,600	2,037,600	2,037,600	2,037,600
TOTAL ADDITIONAL				5,934,100	5,934,100	6,634,100	8,135,700	8,135,700	8,835,700

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Function Summary

Cabinet/Function: Natural Resources and Environmental Protection

Appropriation Unit:

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Restricted Funds				10,030,000	10,030,000	10,030,000	7,760,000	7,760,000	7,760,000
Bond Funds				9,104,000	9,104,000	9,104,000			
Investment Income				100,000	100,000	100,000	115,000	115,000	115,000
Other Funds				300,000	300,000	300,000	300,000	300,000	300,000
Emer. Repair & Maint.				390,000	390,000	390,000			
TOTAL CAPITAL				19,924,000	19,924,000	19,924,000	8,175,000	8,175,000	8,175,000

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Cabinet Summary

Cabinet/Function: Natural Resources and Environmental Protection

Appropriation Unit:

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	56,617,700	56,617,700	56,617,700	57,252,100	57,252,100	57,952,100	59,982,100	59,982,100	60,682,100
Restricted Funds	36,235,900	36,235,900	36,235,900	32,659,400	32,659,400	32,659,400	33,566,700	33,566,700	33,566,700
Federal Funds	57,888,500	57,888,500	57,888,500	61,843,700	61,843,700	61,843,700	62,219,300	62,219,300	62,219,300
Regular Total Funds	150,742,100	150,742,100	150,742,100	151,755,200	151,755,200	152,455,200	155,768,100	155,768,100	156,468,100
General Fund Continuing									
GRAND TOTAL FUNDS	150,742,100	150,742,100	150,742,100	151,755,200	151,755,200	152,455,200	155,768,100	155,768,100	156,468,100
II. EXPENDITURE CATEGORY									
Personnel Costs	91,967,100	91,967,100	91,967,100	92,232,200	92,232,200	92,417,200	96,179,100	96,179,100	96,389,100
Operating Expenses	14,960,400	14,960,400	14,960,400	16,091,000	16,091,000	16,506,000	16,222,200	16,222,200	16,637,200
Grants, Loans, Benefits	22,191,600	22,191,600	22,191,600	23,025,700	23,025,700	23,025,700	22,267,800	22,267,800	22,267,800
Debt Service							911,000	911,000	911,000
Capital Outlay	4,623,000	4,623,000	4,623,000	3,406,300	3,406,300	3,506,300	3,188,000	3,188,000	3,263,000
Construction	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000
TOTAL EXPENDITURES	150,742,100	150,742,100	150,742,100	151,755,200	151,755,200	152,455,200	155,768,100	155,768,100	156,468,100
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	56,617,700	56,617,700	56,617,700	55,343,200	55,343,200	55,343,200	56,932,500	56,932,500	56,932,500
Restricted Funds	36,235,900	36,235,900	36,235,900	30,488,600	30,488,600	30,488,600	30,759,300	30,759,300	30,759,300
Federal Funds	57,888,500	57,888,500	57,888,500	60,070,100	60,070,100	60,070,100	60,181,700	60,181,700	60,181,700
Regular Total Funds	150,742,100	150,742,100	150,742,100	145,901,900	145,901,900	145,901,900	147,873,500	147,873,500	147,873,500
General Fund Continuing									
TOTAL BASE LEVEL	150,742,100	150,742,100	150,742,100	145,901,900	145,901,900	145,901,900	147,873,500	147,873,500	147,873,500
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				1,908,900	1,908,900	2,608,900	3,049,600	3,049,600	3,749,600
Restricted Funds				2,170,800	2,170,800	2,170,800	2,807,400	2,807,400	2,807,400
Federal Funds				1,773,600	1,773,600	1,773,600	2,037,600	2,037,600	2,037,600
TOTAL ADDITIONAL				5,853,300	5,853,300	6,553,300	7,894,600	7,894,600	8,594,600

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CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Natural Resources and Environmental Protection

Cabinet/Function: Natural Resources and Environmental Protection

Appropriation Unit: General Administration and Support

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	9,279,700	9,279,700	9,279,700	9,365,300	9,365,300	9,365,300	9,655,800	9,655,800	9,655,800
Restricted Funds	537,700	537,700	537,700	443,100	443,100	443,100	426,600	426,600	426,600
Federal Funds	1,726,700	1,726,700	1,726,700	1,758,000	1,758,000	1,758,000	1,826,500	1,826,500	1,826,500
Regular Total Funds	11,544,100	11,544,100	11,544,100	11,566,400	11,566,400	11,566,400	11,908,900	11,908,900	11,908,900
General Fund Continuing									
GRAND TOTAL FUNDS	11,544,100	11,544,100	11,544,100	11,566,400	11,566,400	11,566,400	11,908,900	11,908,900	11,908,900
II. EXPENDITURE CATEGORY									
Personnel Costs	9,836,200	9,836,200	9,836,200	9,966,900	9,966,900	9,966,900	10,374,400	10,374,400	10,374,400
Operating Expenses	1,615,700	1,615,700	1,615,700	1,599,500	1,599,500	1,599,500	1,534,500	1,534,500	1,534,500
Capital Outlay	92,200	92,200	92,200						
TOTAL EXPENDITURES	11,544,100	11,544,100	11,544,100	11,566,400	11,566,400	11,566,400	11,908,900	11,908,900	11,908,900
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	9,279,700	9,279,700	9,279,700	9,365,300	9,365,300	9,365,300	9,640,400	9,640,400	9,640,400
Restricted Funds	537,700	537,700	537,700	443,100	443,100	443,100	426,600	426,600	426,600
Federal Funds	1,726,700	1,726,700	1,726,700	1,758,000	1,758,000	1,758,000	1,826,500	1,826,500	1,826,500
Regular Total Funds	11,544,100	11,544,100	11,544,100	11,566,400	11,566,400	11,566,400	11,893,500	11,893,500	11,893,500
General Fund Continuing									
TOTAL BASE LEVEL	11,544,100	11,544,100	11,544,100	11,566,400	11,566,400	11,566,400	11,893,500	11,893,500	11,893,500
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund							15,400	15,400	15,400
TOTAL ADDITIONAL							15,400	15,400	15,400
V. ADDITIONAL BUDGET ITEMS									
4 NEW	Wage Equity Plan								
(569AA0X03)	Provide funds to support salary improvement.								
General Fund							15,400	15,400	15,400
Total							15,400	15,400	15,400
TOTAL ADDITIONAL							15,400	15,400	15,400

FB 2000-2002 BUDGET MODIFICATION REPORT

General Administration and Support

BRANCH BUDGET

The Branch Budget recommends reduced funding for existing services and programs in FB 2000-2002 by funding a limited number of vacancies existing on September 1, 1999, and by reducing General Fund dollars attributed to the EMPOWER Kentucky Simplified Administrative Services (SAS) Initiative. The General Fund budget is reduced by the EMPOWER Kentucky/SAS savings in the amount of \$4,100 in FY 2000-2001 and \$35,100 in FY 2001-2002. The recommended personnel complement for FY 2000-2001, displayed by office within the General Administration and Services budget unit for permanent full-time (PFT) positions, followed by the funded PFTs in parentheses, is: Office of the Secretary - 16 (16); Administrative Services - 40 (39); Administrative Hearings - 11 (11); Legal Services - 82 (77); Information Services - 20 (20); and Inspector General - 15 (15). The total PFT complement for FY 2000-2001 is 184 (178). The funded PFT complement for FY 1999-2000 is 185.

*General Fund support for maintenance of current services which is included in the Base Level Budget totals \$248,300 in FY 2000-2001 and \$252,400 in FY 2001-2002 and includes personnel and operating support of \$191,300 in FY 2000-2001 and \$200,700 in FY 2001-2002 for 4 filled PFTs (1 each in Administrative Hearings and Information Services, and 2 in Inspector General) and 1 filled Interim Position in Information Services; replacement of computer equipment in the amount of \$50,000 in FY 2000-2001 and \$40,000 in FY 2001-2002, and aircraft rental amounts of \$7,000 in FY 2000-2001 and \$11,700 in FY 2001-2002.

The Branch Budget recommends Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$123,000 in FY 2000-2001 and \$65,200 in FY 2001-2002, and Restricted Funds of \$48,800 in FY 2000-2001 and \$51,100 in FY 2001-2002 is budgeted to provide a guaranteed cost-of-living adjustment (COLA) salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to a proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassification to reduce non-competitive salary market.

The Branch Budget Bill, Part II, Capital Projects Budget, provides Investment Income of \$100,000 in FY 2000-2001 and \$115,00 in FY 2001-2002 to the Maintenance Pool for repairs and maintenance of Cabinet-owned facilities at 16 sites, and reauthorization and additional Restricted Funds of \$5,160,000 in each fiscal year to the Kentucky Heritage Land Conservation Fund.

The Natural Resources and Environmental Protection Cabinet requests as part of the Finance and Administration Cabinet's New Office Building project the consolidation of its 22 different leased Frankfort office spaces. Five of these leases located in the floodplain incur damage from flood events resulting in disruption of services, loss of staff productivity, and flood damage costs. The Branch Budget Bill, Part II, Capital Projects Budget, includes authorization for a project entitled "New Office Building - Alternative Construction".

The Branch Budget Bill, Part III, General Provisions, includes a language provision that directs to achieve cost savings as intended, authorized, and directed by 1998 Kentucky Acts, and 1998 House Bill 321 (1998 Ky. Acts ch. 615, Part X), by authorizing the Executive Branch, within the limitations provided for in this Act, to transfer General Fund appropriation amounts related to Technology Trust Fund savings from one budget unit to another budget unit solely within the Cabinets for Families and Children, Finance and Administration, Health Services, Justice, Natural Resources and Environmental Protection, and Workforce Development, and the Department of Education. Any transfer of General Fund appropriation amounts related to Technology Trust Fund savings from one budget unit to another budget unit shall be made only within each specified Cabinet and the Department of Education and shall be limited to the General Fund cost savings amounts identified in the 2000-2002 agency budget request and executive records.

FB 2000-2002 BUDGET MODIFICATION REPORT

General Administration and Support

The Branch Budget Bill, Part IX, Special Provisions, includes a language provision relating to budget administration as follows: If the Secretary determines that the functions and responsibilities of the Surface Mining Reclamation and Enforcement budget unit can be performed with fewer positions than budgeted for the biennium, the positions and associated costs may be transferred to the General Administration and Support budget unit for the purpose of employing essential positions, replacing or upgrading information technology equipment, and the replacement of vehicles. The Secretary shall present the proposed plan to the State Budget Director and the Interim Joint Committee on Appropriations and Revenue prior to transferring any positions and funding.

HOUSE REPORT

The House concurs with the Branch Budget recommendation with the following changes:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$15,400 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and the Senate.

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Natural Resources and Environmental Protection

Cabinet/Function: Natural Resources and Environmental Protection

Appropriation Unit: General Administration and Support

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Restricted Funds				5,160,000	5,160,000	5,160,000	5,160,000	5,160,000	5,160,000
Investment Income				100,000	100,000	100,000	115,000	115,000	115,000
TOTAL CAPITAL				5,260,000	5,260,000	5,260,000	5,275,000	5,275,000	5,275,000
II. CAPITAL PROJECTS									
1 (5690009) Maintenance Pool									
Investment Income				100,000	100,000	100,000	115,000	115,000	115,000
Total				100,000	100,000	100,000	115,000	115,000	115,000
2 (5690013) Kentucky Heritage Land Conservation Fund - Reauthorization									
Restricted Funds				5,160,000	5,160,000	5,160,000	5,160,000	5,160,000	5,160,000
Total				5,160,000	5,160,000	5,160,000	5,160,000	5,160,000	5,160,000
TOTAL				5,260,000	5,260,000	5,260,000	5,275,000	5,275,000	5,275,000

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Natural Resources and Environmental Protection

Cabinet/Function: Natural Resources and Environmental Protection

Appropriation Unit: Environmental Protection

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	22,073,200	22,073,200	22,073,200	23,430,500	23,430,500	23,730,500	24,230,100	24,230,100	24,530,100
Restricted Funds	23,847,100	23,847,100	23,847,100	20,834,300	20,834,300	20,834,300	21,391,100	21,391,100	21,391,100
Federal Funds	15,606,200	15,606,200	15,606,200	17,807,300	17,807,300	17,807,300	17,904,600	17,904,600	17,904,600
Regular Total Funds	61,526,500	61,526,500	61,526,500	62,072,100	62,072,100	62,372,100	63,525,800	63,525,800	63,825,800
General Fund Continuing									
GRAND TOTAL FUNDS	61,526,500	61,526,500	61,526,500	62,072,100	62,072,100	62,372,100	63,525,800	63,525,800	63,825,800
II. EXPENDITURE CATEGORY									
Personnel Costs	43,006,400	43,006,400	43,006,400	43,699,100	43,699,100	43,884,100	45,382,700	45,382,700	45,592,700
Operating Expenses	7,364,400	7,364,400	7,364,400	8,362,000	8,362,000	8,377,000	8,761,500	8,761,500	8,776,500
Grants, Loans, Benefits	6,076,700	6,076,700	6,076,700	6,026,400	6,026,400	6,026,400	5,347,900	5,347,900	5,347,900
Debt Service							206,000	206,000	206,000
Capital Outlay	2,979,000	2,979,000	2,979,000	1,884,600	1,884,600	1,984,600	1,727,700	1,727,700	1,802,700
Construction	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
TOTAL EXPENDITURES	61,526,500	61,526,500	61,526,500	62,072,100	62,072,100	62,372,100	63,525,800	63,525,800	63,825,800
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	22,073,200	22,073,200	22,073,200	22,008,900	22,008,900	22,008,900	22,677,900	22,677,900	22,677,900
Restricted Funds	23,847,100	23,847,100	23,847,100	18,734,300	18,734,300	18,734,300	18,614,600	18,614,600	18,614,600
Federal Funds	15,606,200	15,606,200	15,606,200	16,033,700	16,033,700	16,033,700	15,867,000	15,867,000	15,867,000
Regular Total Funds	61,526,500	61,526,500	61,526,500	56,776,900	56,776,900	56,776,900	57,159,500	57,159,500	57,159,500
General Fund Continuing									
TOTAL BASE LEVEL	61,526,500	61,526,500	61,526,500	56,776,900	56,776,900	56,776,900	57,159,500	57,159,500	57,159,500
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				1,421,600	1,421,600	1,721,600	1,552,200	1,552,200	1,852,200
Restricted Funds				2,100,000	2,100,000	2,100,000	2,776,500	2,776,500	2,776,500
Federal Funds				1,773,600	1,773,600	1,773,600	2,037,600	2,037,600	2,037,600
TOTAL ADDITIONAL				5,295,200	5,295,200	5,595,200	6,366,300	6,366,300	6,666,300
V. ADDITIONAL BUDGET ITEMS									
2 MTCE	Waste Management - Hazardous Waste Assessments								
(590BB0X02)	Provide funds to finance cleanups of emergency spills of hazardous waste, and for remediation of state sites & Superfund sites; includes 13 PFT.								
Restricted Funds				2,100,000	2,100,000	2,100,000	2,776,500	2,776,500	2,776,500

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch**Agency:** Natural Resources and Environmental Protection**Cabinet/Function:** Natural Resources and Environmental Protection**Appropriation Unit:** Environmental Protection

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
V. ADDITIONAL BUDGET ITEMS										
2 MTCE	Waste Management - Hazardous Waste Assessments									
(590BB0X02)	Provide funds to finance cleanups of emergency spills of hazardous waste, and for remediation of state sites & Superfund sites; includes 13 PFT.									
Federal Funds								291,800	291,800	291,800
Total					2,100,000	2,100,000	2,100,000	3,068,300	3,068,300	3,068,300
3 EXPAN	Department wide - EMPOWER KY Initiative (Simplified Regulatory Services)									
(590BA0X02)	Provide funds to purchase hardware and software required to run the electronic permitting systems reengineered by the Simplified Regulatory Services EMPOWER KY initiative, and for technical and maintenance support .									
General Fund					1,348,400	1,348,400	1,348,400	1,306,200	1,306,200	1,306,200
Total					1,348,400	1,348,400	1,348,400	1,306,200	1,306,200	1,306,200
11 EXPAN	Water - Clean Water Action Plan									
(590BA0X03)	Provide funds to implement the 1998 National Clean Water Action Plan to improve the quality of the Commonwealth's water resources. The funding supports personnel and operating costs for 4 PFT and the purchase of a vehicle.									
Federal Funds					1,708,400	1,708,400	1,708,400	1,708,400	1,708,400	1,708,400
Total					1,708,400	1,708,400	1,708,400	1,708,400	1,708,400	1,708,400
12 EXPAN	Water - Nonpoint Source Field Staff									
(590BA0X04)	Provide funds for personnel and operating support for 1 PFT and purchase necessary equipment to provide technical assistance in support of the water quality best management practices under the Kentucky Forest Conservation Act.									
Federal Funds					65,200	65,200	65,200	37,400	37,400	37,400
Total					65,200	65,200	65,200	37,400	37,400	37,400
13 EXPAN	Water - State-Owned Dam Repair - Debt Service									
(590BA0X07)	Provide debt service funds to support Bond Funds totaling \$2,000,000 in FY 2000-2001 for repair of state-owned dams.									
General Fund								206,000	206,000	206,000
Total								206,000	206,000	206,000
14 NEW	Wage Equity Plan									
(590BA0X06)	Provide funds to support salary improvements.									
General Fund					73,200	73,200	73,200	40,000	40,000	40,000
Total					73,200	73,200	73,200	40,000	40,000	40,000

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch:

Executive Branch

Cabinet/Function:

Natural Resources and Environmental Protection

Agency:

Natural Resources and Environmental Protection

Appropriation Unit:

Environmental Protection

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
V. ADDITIONAL BUDGET ITEMS										
15	EXPFFR	Waste Management - Litter Control Initiatives								
(590GA01)		Provide funds for personnel, operating, and capital expenses to continue the statewide effort to halt illegal dumping.								
General Fund								300,000		
Total								300,000		
TOTAL ADDITIONAL					5,295,200	5,295,200	5,595,200	6,366,300	6,366,300	6,666,300

FB 2000-2002 BUDGET MODIFICATION REPORT

Environmental Protection

BRANCH BUDGET

The Branch Budget recommends reduced funding for existing services and programs in FB 2000-2002 by funding a limited number of vacancies existing on September 1, 1999, and by reducing General Fund dollars attributed to the EMPOWER Kentucky Simplified Administrative Services (SAS) Initiative. The General Fund support is reduced by the EMPOWER Kentucky/SAS savings in the amount of \$21,200 in FY 2000-2001 and \$85,500 in FY 2001-2002. The recommended personnel complement for FY 2000-2001, displayed by division for permanent full-time (PFT) positions, followed by the funded PFTs in parentheses, is: Commissioner's Office - 24 (24); Water - 300 (295); Air Quality - 178 (176); Waste Management - 238 (234); Maxey Flats - 6 (6); and Environmental Services - 47 (47). The total PFT complement for FY 2000-2001 is 793 (782), including 5 federally-funded positions in the Division of Water associated with new grants. The funded PFT complement for FY 1999-2000 is 789.

*General Fund support for maintenance of current services which is included in the Base Level Budget totals \$103,000 in FY 2000-2001 and \$207,100 in FY 2001-2002 and includes personnel and operating support \$84,100 in FY 2001-2002 for 1 filled PFT in the Commissioner's Office and 1 filled Interim Position in Waste Management and replacement of computer equipment in the amount of \$20,000 in FY 2001-2002; and replacement vehicles in Waste Management in the amount of \$103,000 in each fiscal year.

The Branch Budget recommends Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$233,800 in FY 2000-2001 and \$55,800 in FY 2001-2002 and Federal Funds of \$356,900 in FY 2000-2001 and \$293,800 in FY 2001-2002 is budgeted to provide a guaranteed cost-of-living adjustment (COLA) salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to a proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassification to reduce non-competitive salary market.

Additional Restricted Funds totaling \$2,100,000 in FY 2000-2001 and \$2,776,500 in FY 2001-2002 from Hazardous Waste Assessments are recommended, contingent upon passage of enabling legislation by the 2000 General Assembly, for the Hazardous Waste Assessment programs. The statutory authorization under KRS 224.46-580 to collect these moneys from the generators of hazardous waste expires June 30, 2000. Also included for the purpose of the Hazardous Waste Assessment programs are Federal Funds of \$291,800 in FY 2001-2002 that are available contingent upon state dollars being appropriated.

Additional General Fund amounts totaling \$1,348,400 in FY 2000-2001 and \$1,306,200 in FY 2001-2002 are provided to complete implementation of the electronic permitting system, an EMPOWER Kentucky initiative for Simplified Regulatory Services.

Additional Federal Funds totaling \$1,708,400 in each fiscal year are recommended to implement the 1998 National Clean Water Action Plan to improve the quality of the Commonwealth's water resources. Included are grant funds of \$1,523,100 in FY 2000-2001 and \$1,544,500 in FY 2001-2002 to provide technical assistance and administration of projects in the following five large watersheds: the Herrington Lake - Dix Dam project in the Kentucky River Watershed; the Upper Cumberland River Watershed; the Little River project in the Lower Cumberland River Watershed; the Fleming Creek project in the Licking River Watershed; and the Rock Creek project in the South Fork Cumberland River Watershed. These projects were selected to demonstrate diverse nonpoint source pollution mitigation strategies addressing acid mine drainage in abandoned mine land areas, straight pipe discharges, and agricultural run-off. Four new PFTs are included to administer the program.

Also recommended are additional Federal Funds totaling \$65,200 in FY 2000-2001 and \$37,400 in FY 2001-2002 for personnel and operating costs of 1 PFT and to purchase a vehicle to provide technical assistance in support of the water quality provisions of the 1998 Kentucky Forest Conservation Act.

FB 2000-2002 BUDGET MODIFICATION REPORT

Environmental Protection

Included is \$75,000 each fiscal year from the General Fund to continue the Commonwealth Cleanup Week program as established by the 1998 General Assembly in HJR 121.

Restricted Funds of \$8,193,100 in FY 2000-2001 and \$8,571,700 in FY 2001-2002, generated by the Air Emissions Fee, are budgeted to be no higher than the federal presumptive minimum level to retain the delegated program under Title V of the 1990 Clean Air Act Amendments. Federal law requires that an emission fee be collected from facilities which generate certain air pollutants to support Title V programs. Kentucky does not charge any air permit fees. The actual billing rate will be based on the actual tonnage of emissions and the number of generators calculated from the Air Emissions Inventory. Sources emitting no more than 25 tons of emissions per year are charged an annual \$150 fee. No authorization is provided for continuation of the Clean Air Task Force as established by the 1992 General Assembly.

The Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs notwithstanding KRS 224.43-320, no funds are provided in the appropriations for the assignment of full-time inspectors to each municipal solid waste landfill operating in the Commonwealth.

Additional General Fund support is provided for debt service for the State-Owned Dam Repair Program in the amount of \$206,000 in FY 2001-2002 to support Bond Funds totaling \$2,000,000. The Branch Budget Bill, Part II, Capital Projects Budget, includes a language provision that directs that the sale of any permanent bonds to finance this project shall occur after January 1, 2001.

The Branch Budget Bill, Part II, Capital Projects Budget, includes the following projects: new Bond Funds totaling \$2,000,000 in FY 2000-2001 and reauthorization of existing funding for the State-Owned Dam Repair Program; support from the Emergency, Repair, Maintenance and Replacement Fund of \$390,000 in FY 2000-2001 to replace Maxey Flats facilities pursuant to the 1998 Federal Court Consent Decree relating to the Commonwealth's duty to monitor and manage the site; Restricted Funds totaling \$2,100,000 each fiscal year contingent upon passage of enabling legislation and reauthorization of the Hazardous Waste Management Fund; and Restricted Funds from the Petroleum Storage Tank Assurance Fund of \$500,000 each fiscal year and reauthorization for the State-Funded Underground Storage Tanks Program.

The Branch Budget Bill, Part II, Capital Projects Budget, authorizes two leases of real property in Franklin County (Ash Properties and Air Quality) each with a cost that exceeds \$200,000 per year. The leased space housing the Commissioner's Office, the Division of Water, and the Division of Waste Management is subject to flooding, causing disruption of services, losses in staff productivity, and increased costs associated with flood damages.

The Branch Budget Bill, Part IX, Special Provisions, includes a language provision relating to budget administration as follows: If the Secretary determines that the functions and responsibilities of the Surface Mining Reclamation and Enforcement budget unit can be performed with fewer positions than budgeted for the biennium, the positions and associated costs may be transferred to the Environmental Protection budget unit for the purpose of employing essential positions, replacing or upgrading information technology equipment, and the replacement of vehicles. The Secretary shall present the proposed plan to the State Budget Director and the Interim Joint Committee on Appropriations and Revenue prior to transferring any positions and funding.

HOUSE REPORT

The House concurs with the Branch Budget recommendation with the following changes:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$73,200 in FY 2000-2001 and \$40,000 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional

FB 2000-2002 BUDGET MODIFICATION REPORT

Environmental Protection

7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The House adds Part IX, Special Provisions, relating to b) Clean Air Task Force and quarterly reports and c) Hazardous Waste Assessments as follows: b) The Clean Air Task Force membership and reporting requirements established by the 1992 General Assembly shall be continued. The Task Force shall include representatives of the industry, the environmental community, and the Cabinet, and shall report quarterly to the Legislative Research Commission for referral to appropriate committees; and c) Notwithstanding KRS 224.46-580(7), hazardous waste assessments shall continue to be charged and collected in FB 2000-2002.

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and the Senate, with the following changes:

Provide additional General Fund dollars of \$300,000 each fiscal year to support 8 PFT inspectors, operating, and capital expenses to continue statewide programs to control litter and halt illegal dumping, and add a Part III, General Provisions language provision relating to the use of public or private funds contributed to state agencies for purposes of conducting statewide litter programs.

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Natural Resources and Environmental Protection

Cabinet/Function: Natural Resources and Environmental Protection

Appropriation Unit: Environmental Protection

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Restricted Funds				2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000
Bond Funds				2,000,000	2,000,000	2,000,000			
Emer. Repair & Maint.				390,000	390,000	390,000			
TOTAL CAPITAL				4,990,000	4,990,000	4,990,000	2,600,000	2,600,000	2,600,000
II. CAPITAL PROJECTS									
1 (5900004) State-Owned Dam Repair - Reauthorization									
Bond Funds				2,000,000	2,000,000	2,000,000			
Total				2,000,000	2,000,000	2,000,000			
2 (5900008) Maxey Flats Replacement Structures									
Emer. Repair & Maint.				390,000	390,000	390,000			
Total				390,000	390,000	390,000			
3 (5900006) Hazardous Waste Management Fund - Reauthorization									
Restricted Funds				2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
Total				2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
5 (5900005) State-Funded Leaking Underground Storage Tanks - Reauthorization									
Restricted Funds				500,000	500,000	500,000	500,000	500,000	500,000
Total				500,000	500,000	500,000	500,000	500,000	500,000
6 (5900009) Franklin County - Lease (Ash Properties)									
Total									
7 (5900010) Franklin County - Lease (Air Quality)									
Total									
TOTAL				4,990,000	4,990,000	4,990,000	2,600,000	2,600,000	2,600,000

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CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Natural Resources and Environmental Protection

Cabinet/Function: Natural Resources and Environmental Protection

Appropriation Unit: Natural Resources

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	15,219,600	15,219,600	15,219,600	14,192,800	14,192,800	14,592,800	15,341,400	15,341,400	15,741,400
Restricted Funds	6,015,800	6,015,800	6,015,800	5,198,000	5,198,000	5,198,000	5,215,100	5,215,100	5,215,100
Federal Funds	2,751,500	2,751,500	2,751,500	4,032,900	4,032,900	4,032,900	3,768,600	3,768,600	3,768,600
Regular Total Funds	23,986,900	23,986,900	23,986,900	23,423,700	23,423,700	23,823,700	24,325,100	24,325,100	24,725,100
General Fund Continuing									
GRAND TOTAL FUNDS	23,986,900	23,986,900	23,986,900	23,423,700	23,423,700	23,823,700	24,325,100	24,325,100	24,725,100
II. EXPENDITURE CATEGORY									
Personnel Costs	12,686,000	12,686,000	12,686,000	11,444,800	11,444,800	11,444,800	12,191,100	12,191,100	12,191,100
Operating Expenses	2,819,800	2,819,800	2,819,800	2,567,300	2,567,300	2,967,300	2,133,600	2,133,600	2,533,600
Grants, Loans, Benefits	8,167,500	8,167,500	8,167,500	9,100,400	9,100,400	9,100,400	9,019,900	9,019,900	9,019,900
Debt Service							705,000	705,000	705,000
Capital Outlay	313,600	313,600	313,600	311,200	311,200	311,200	275,500	275,500	275,500
TOTAL EXPENDITURES	23,986,900	23,986,900	23,986,900	23,423,700	23,423,700	23,823,700	24,325,100	24,325,100	24,725,100
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	15,219,600	15,219,600	15,219,600	14,114,000	14,114,000	14,114,000	14,494,000	14,494,000	14,494,000
Restricted Funds	6,015,800	6,015,800	6,015,800	5,127,200	5,127,200	5,127,200	5,184,200	5,184,200	5,184,200
Federal Funds	2,751,500	2,751,500	2,751,500	4,032,900	4,032,900	4,032,900	3,768,600	3,768,600	3,768,600
Regular Total Funds	23,986,900	23,986,900	23,986,900	23,274,100	23,274,100	23,274,100	23,446,800	23,446,800	23,446,800
General Fund Continuing									
TOTAL BASE LEVEL	23,986,900	23,986,900	23,986,900	23,274,100	23,274,100	23,274,100	23,446,800	23,446,800	23,446,800
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				78,800	78,800	478,800	847,400	847,400	1,247,400
Restricted Funds				70,800	70,800	70,800	30,900	30,900	30,900
TOTAL ADDITIONAL				149,600	149,600	549,600	878,300	878,300	1,278,300
V. ADDITIONAL BUDGET ITEMS									
7 EXPAN	Commissioner's Office - KY Heritage Land Conservation Fund (Board Staff/Vehicles)								
(595CD0X02)	Provide funds from interest earned on the KY Heritage Land Conservation Fund to support personnel and operating expenses of 1 PFT staff to the Board, and to purchase a vehicle for field work.								
Restricted Funds				70,800	70,800	70,800	30,900	30,900	30,900
Total				70,800	70,800	70,800	30,900	30,900	30,900

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Natural Resources and Environmental Protection

Cabinet/Function: Natural Resources and Environmental Protection

Appropriation Unit: Natural Resources

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
V. ADDITIONAL BUDGET ITEMS										
8 NEW	Forestry - Field Radio System - Debt Service									
(595CEAX04)	Provide debt service funds to support Bond Funds totaling \$1,504,000 to finance the development of a statewide very high frequency (VHF) radio system for fire suppression activities.									
General Fund								289,000	289,000	289,000
Total								289,000	289,000	289,000
9 NEW	Commissioner's Office - Black Mountain Preservation Project - Debt Service									
(595CEAX05)	Provide debt service funds to support Bond Funds totaling \$4,100,000 to purchase timber and coal rights on Black Mountain. (This property acquisition does not include fee simple interest.)									
General Fund								416,000	416,000	416,000
Total								416,000	416,000	416,000
10 NEW	Wage Equity Plan									
(595CA0X05)	Provide funds to support salary improvement.									
General Fund					78,800	78,800	78,800	142,400	142,400	142,400
Total					78,800	78,800	78,800	142,400	142,400	142,400
11 MTCE	Forestry - Reforestation Programs - Operating Expenses									
(595GA01)	Provide funding for operating expenses related to continuation of reforestation programs.									
General Fund							400,000			400,000
Total							400,000			400,000
TOTAL ADDITIONAL					149,600	149,600	549,600	878,300	878,300	1,278,300

FB 2000-2002 BUDGET MODIFICATION REPORT

Natural Resources

BRANCH BUDGET

The Branch Budget recommends reduced funding for existing services and programs in FB 2000-2002 by funding a limited number of vacancies existing on September 1, 1999, by reducing operating support, and by reducing General Fund dollars attributed to the EMPOWER Kentucky Simplified Administrative Services (SAS) Initiative. The General Fund support is reduced by the EMPOWER Kentucky/SAS savings in the amount of \$37,400 in FY 2000-2001 and \$91,800 in FY 2001-2002. The recommended personnel complement for FY 2000-2001, displayed by division for permanent full-time (PFT) positions, followed by the funded PFTs in parentheses, is: Commissioner's Office - 7 (7); Forestry - 244 (234); Conservation - 22 (22); and Energy - 10 (10). The total budgeted PFT complement for FY 2000-2001 is 283 (273), which includes 1 new PFT. The funded PFT complement for FY 1999-2000 is 282.

*General Fund support for maintenance of current services which is included in the Base Level Budget totals \$526,900 in FY 2000-2001 and \$537,400 in FY 2001-2002 and includes personnel and operating support of \$211,400 in FY 2000-2001 and \$221,900 in FY 2001-2002 for 8 PFTs (1 filled position in the Commissioner's Office and 7 vacancies in Forestry); replacement of computer equipment in the amount of \$40,000 each fiscal year; and replacement of Forestry field vehicles totaling \$275,500 each fiscal year.

Included in FY 1999-2000 is the General Fund amount of \$858,500 to reimburse Forest Fire Suppression Costs associated with the 1999 Fire Season as Necessary Governmental Expenses. The Branch Budget Bill, Part I, Operating Budget, includes a language provision that provides \$240,000 in General Fund support each fiscal year for emergency forest fire suppression; costs in excess of this amount shall be deemed necessary governmental expenses and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

The Branch Budget recommends Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$221,700 in FY 2000-2001 and \$461,800 in FY 2001-2002 and Restricted Funds of \$52,200 in FY 2000-2001 and \$53,900 in FY 2001-2002 is budgeted to provide a guaranteed cost-of-living adjustment (COLA) salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to a proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassification to reduce non-competitive salary market.

Additional Restricted Funds of \$70,800 in FY 2000-2001 and \$30,900 in FY 2001-2002 are provided to support personnel and operating costs for one PFT to staff the Kentucky Heritage Land Conservation Fund Board and to purchase a field vehicle.

Additional General Fund support for debt service amounts is recommended in FY 2001-2002 for two new bond projects: \$289,000 debt service to support Bond Funds totaling \$1,504,000 for the new Forestry very high frequency (VHF) radio system designed to increase safety for personnel engaged in fire fighting suppression activities, and \$416,000 debt service to support Bond Funds totaling \$4,100,000 for the Black Mountain Preservation Project. The Branch Budget Bill, Part II, Capital Projects Budget, includes a language provision that directs that the sale of any permanent bonds to finance these projects shall occur after January 1, 2001.

The Branch Budget Bill, Part IX, Special Provisions, includes a language provision relating to budget administration as follows: If the Secretary determines that the functions and responsibilities of the Surface Mining Reclamation and Enforcement budget unit can be performed with fewer positions than budgeted for the biennium, the positions and associated costs may be transferred to the Natural Resources budget unit for the purpose of employing essential positions, replacing or upgrading information technology

FB 2000-2002 BUDGET MODIFICATION REPORT

Natural Resources

equipment, and the replacement of vehicles. The Secretary shall present the proposed plan to the State Budget Director and the Interim Joint Committee on Appropriations and Revenue prior to transferring any positions and funding.

HOUSE REPORT

The House concurs with the Branch Budget recommendation with the following changes:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$78,800 in FY 2000-2001 and \$142,400 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

Included in FY 1999-2000 is a General Fund amount of \$694,000 as a reimbursement of necessary governmental expenses for fire suppression activities related to the 1999 drought.

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and the Senate with the following change:

Provide in each fiscal year \$400,000 from the General Fund to support operating expenses related to reforestation programs in the Division of Forestry.

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Natural Resources and Environmental Protection

Cabinet/Function: Natural Resources and Environmental Protection

Appropriation Unit: Natural Resources

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. CAPITAL PROJECT RECAP BY FUND SOURCE										
Bond Funds					5,604,000	5,604,000	5,604,000			
TOTAL CAPITAL					5,604,000	5,604,000	5,604,000			
II. CAPITAL PROJECTS										
1 (5950011) Black Mountain Preservation Project										
Bond Funds					4,100,000	4,100,000	4,100,000			
Total					4,100,000	4,100,000	4,100,000			
2 (5950001) Forestry Radio Equipment										
Bond Funds					1,504,000	1,504,000	1,504,000			
Total					1,504,000	1,504,000	1,504,000			
TOTAL					5,604,000	5,604,000	5,604,000			

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CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Natural Resources and Environmental Protection

Cabinet/Function: Natural Resources and Environmental Protection

Appropriation Unit: Surface Mining Reclamation and Enforcement

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	10,045,200	10,045,200	10,045,200	10,263,500	10,263,500	10,263,500	10,754,800	10,754,800	10,754,800
Restricted Funds	5,835,300	5,835,300	5,835,300	6,184,000	6,184,000	6,184,000	6,533,900	6,533,900	6,533,900
Federal Funds	15,804,100	15,804,100	15,804,100	16,245,500	16,245,500	16,245,500	16,719,600	16,719,600	16,719,600
Regular Total Funds	31,684,600	31,684,600	31,684,600	32,693,000	32,693,000	32,693,000	34,008,300	34,008,300	34,008,300
General Fund Continuing									
GRAND TOTAL FUNDS	31,684,600	31,684,600	31,684,600	32,693,000	32,693,000	32,693,000	34,008,300	34,008,300	34,008,300

II. EXPENDITURE CATEGORY

Personnel Costs	25,938,500	25,938,500	25,938,500	26,621,400	26,621,400	26,621,400	27,730,900	27,730,900	27,730,900
Operating Expenses	3,160,500	3,160,500	3,160,500	3,562,200	3,562,200	3,562,200	3,792,600	3,792,600	3,792,600
Grants, Loans, Benefits	1,347,400	1,347,400	1,347,400	1,298,900	1,298,900	1,298,900	1,300,000	1,300,000	1,300,000
Capital Outlay	1,238,200	1,238,200	1,238,200	1,210,500	1,210,500	1,210,500	1,184,800	1,184,800	1,184,800
TOTAL EXPENDITURES	31,684,600	31,684,600	31,684,600	32,693,000	32,693,000	32,693,000	34,008,300	34,008,300	34,008,300

III. BASE LEVEL BUDGET BY FUND SOURCE

General Fund	10,045,200	10,045,200	10,045,200	9,855,000	9,855,000	9,855,000	10,120,200	10,120,200	10,120,200
Restricted Funds	5,835,300	5,835,300	5,835,300	6,184,000	6,184,000	6,184,000	6,533,900	6,533,900	6,533,900
Federal Funds	15,804,100	15,804,100	15,804,100	16,245,500	16,245,500	16,245,500	16,719,600	16,719,600	16,719,600
Regular Total Funds	31,684,600	31,684,600	31,684,600	32,284,500	32,284,500	32,284,500	33,373,700	33,373,700	33,373,700
General Fund Continuing									
TOTAL BASE LEVEL	31,684,600	31,684,600	31,684,600	32,284,500	32,284,500	32,284,500	33,373,700	33,373,700	33,373,700

IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE

General Fund	408,500	408,500	408,500	634,600	634,600	634,600
TOTAL ADDITIONAL	408,500	408,500	408,500	634,600	634,600	634,600

V. ADDITIONAL BUDGET ITEMS**1 EXPAN Permits - EMPOWER KY Initiative (Simplified Regulatory Services)**

(600FC0X02) Provide funds to implement the electronic permitting system, an EMPOWER KY initiative to enhance customer service, by purchasing replacement hardware, software, and servers, and for operating costs. (Included for training is \$51,500/yr.)

General Fund	408,500	408,500	408,500	549,400	549,400	549,400
Total	408,500	408,500	408,500	549,400	549,400	549,400

2 EXPAN Wage Equity Plan

(600FC0X03) Provide funds to support salary improvement.

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Natural Resources and Environmental Protection

Cabinet/Function: Natural Resources and Environmental Protection

Appropriation Unit: Surface Mining Reclamation and Enforcement

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
V. ADDITIONAL BUDGET ITEMS										
2	EXPAN Wage Equity Plan									
(600FC0X03)	Provide funds to support salary improvement.									
General Fund								85,200	85,200	85,200
Total								85,200	85,200	85,200
TOTAL ADDITIONAL					408,500	408,500	408,500	634,600	634,600	634,600

FB 2000-2002 BUDGET MODIFICATION REPORT

Surface Mining Reclamation and Enforcement

BRANCH BUDGET

The Branch Budget recommends reduced funding for existing services and programs in FB 2000-2002 by funding a limited number of vacancies existing on September 1, 1999, and by reducing General Fund dollars attributed to the EMPOWER Kentucky Simplified Administrative Services (SAS) Initiative. The General Fund support is reduced by the EMPOWER Kentucky/SAS savings in the amount of \$18,200 in FY 2000-2001 and \$98,700 in FY 2001-2002. The recommended personnel complement for FY 2000-2001, displayed by division for permanent full-time (PFT) positions, followed by the funded PFTs in parentheses, is: Commissioner's Office - 31 (31); Permits - 93 (88); Field Services - 207 (200); and Abandoned Mine Lands - 85 (85). The total PFT complement for FY 2000-2001 is 416 (404). The funded PFT complement for FY 1999-2000 is 416.

The Branch Budget recommends Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional Restricted Funds of \$166,400 in FY 2000-2001 and \$19,200 in FY 2001-2002 is budgeted to provide a guaranteed cost-of-living adjustment (COLA) salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to a proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassification to reduce non-competitive salary market.

Additional General Fund support totaling \$408,500 in FY 2000-2001 and \$594,400 in FY 2001-2002 is provided to complete implementation of the electronic permitting system, an EMPOWER Kentucky initiative for Simplified Regulatory Services.

Surface coal mining permit and acreage fees are deposited into the General Fund and are expended for two purposes: to pay debt service on the University of Kentucky Mines and Minerals Building and to return 1/3 to the counties where the operation is located. Included in each fiscal year is \$675,000 from the General Fund for the transfer to eligible county fiscal courts for general expenditure purposes as provided in KRS 350.139. The Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs that any required expenditure for this purpose in excess of \$675,000 is appropriated.

The Branch Budget Bill, Part II, Capital Projects Budget, authorizes the lease of real property in Franklin County (Hudson Hollow) with a cost that exceeds \$200,000 per year.

The Branch Budget Bill, Part IX, Special Provisions, includes two language provisions relating to (a) budget administration and (b) surface coal mining permits which read as follows: (a) If the Secretary determines that the functions and responsibilities of the Surface Mining Reclamation and Enforcement budget unit can be performed with fewer positions than budgeted for the biennium, the positions and associated costs may be transferred to the General Administration and Support budget unit, the Natural Resources budget unit, and the Environmental Protection budget unit for the purpose of employing essential positions, replacing or upgrading information technology equipment, and the replacement of vehicles. The Secretary shall present the proposed plan to the State Budget Director and the Interim Joint Committee on Appropriations and Revenue prior to transferring any positions and funding.; and (b) The permit block provisions of KRS 350.085(6) shall apply both to surface coal mining and reclamation operations owned or controlled by the applicant, and those operations owning or controlling the applicant. The Cabinet shall continue in effect the current state regulations regarding ownership and control provided that a due process hearing shall be afforded at the time that the Cabinet makes a preliminary determination to impose a permit block.

HOUSE REPORT

The House concurs with the Branch Budget recommendation with the following changes:

FB 2000-2002 BUDGET MODIFICATION REPORT

Surface Mining Reclamation and Enforcement

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$85,200 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The House revises the Part IX language provision relating to surface coal mining permits which now reads as follows: The permit block provisions of KRS 350.085(6) shall apply to either the applicant or any person who owns or controls the applicant who is currently in violation. The Cabinet shall continue in effect the current state regulations regarding ownership and control provided that a due process hearing shall be afforded at the time that the Cabinet makes a preliminary determination to impose a permit block.

The Cabinet shall conditionally issue a permit, permit renewal, or authorization to conduct surface coal mining and reclamation operations, if the Cabinet finds that a direct administrative or judicial appeal is presently being pursued, in good faith, to contest the validity of the determination of ownership and control linkage. The Cabinet shall conditionally issue permits where the applicant submits proof, including a settlement agreement, that the violation is being abated to the satisfaction of the issuing state or federal agency. Where the initial judicial appeal affirms the ownership or control linkage, the applicant shall have thirty (30) days to submit proof that the violation has been or is in the process of being corrected. Nothing herein shall preclude the applicant from seeking further judicial relief.

This Record reflects adoption of House Floor Amendment # 12 that adds a Part IX language provision relating to surface coal mining permits.

SENATE REPORT

The Senate concurs with the Branch Budget recommendation with the following change:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$85,200 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

CONFERENCE REPORT

The Conference concurs with the House.

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY

Governmental Branch:

Executive Branch

Cabinet/Function:

Natural Resources and Environmental Protection

Agency:

Natural Resources and Environmental Protection

Appropriation Unit:

Surface Mining Reclamation and Enforcement

FY 1999-2000			FY 2000-2001			FY 2001-2002		
House	Senate	Conference	House	Senate	Conference	House	Senate	Conference

I. CAPITAL PROJECT RECAP BY FUND SOURCE

TOTAL CAPITAL

II. CAPITAL PROJECTS

1 (6000001) Franklin County - Lease (Hudson Hollow)

Total

TOTAL

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CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Natural Resources and Environmental Protection

Cabinet/Function: Natural Resources and Environmental Protection

Appropriation Unit: Abandoned Mine Lands Reclamation Projects

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
Federal Funds	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000
Regular Total Funds	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000
General Fund Continuing									
GRAND TOTAL FUNDS	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000
II. EXPENDITURE CATEGORY									
Personnel Costs	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Grants, Loans, Benefits	6,600,000	6,600,000	6,600,000	6,600,000	6,600,000	6,600,000	6,600,000	6,600,000	6,600,000
Construction	14,900,000	14,900,000	14,900,000	14,900,000	14,900,000	14,900,000	14,900,000	14,900,000	14,900,000
TOTAL EXPENDITURES	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
Federal Funds	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000
Regular Total Funds	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000
General Fund Continuing									
TOTAL BASE LEVEL	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000

FB 2000-2002 BUDGET MODIFICATION REPORT

Abandoned Land Mines Reclamation Projects

BRANCH BUDGET

The Branch Budget recommends funding for existing activities and programs in FB 2000-2002.

The Abandoned Mine Land Reclamation Projects Program, which is 100% federally-funded, was technically reclassified from the Capital Projects Budget to the Operating Budget in FY 1993-94 as a separate and distinct budget unit. The Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs if additional funds become available, the funds are appropriated subject to the conditions and procedures of the Act.

HOUSE REPORT

The House concurs with the Branch Budget recommendation.

SENATE REPORT

The Senate concurs with the Branch Budget recommendation and the House.

CONFERENCE REPORT

The Conference concurs with the Branch Budget recommendation, the House, and the Senate.

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency:

Cabinet/Function: Natural Resources and Environmental Protection

Appropriation Unit: Kentucky River Authority

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	369,000	369,000	369,000	377,900	377,900	377,900	543,000	543,000	543,000
Restricted Funds	1,289,500	1,289,500	1,289,500	1,345,600	1,345,600	1,345,600	1,579,900	1,579,900	1,579,900
Regular Total Funds	1,658,500	1,658,500	1,658,500	1,723,500	1,723,500	1,723,500	2,122,900	2,122,900	2,122,900
General Fund Continuing									
GRAND TOTAL FUNDS	1,658,500	1,658,500	1,658,500	1,723,500	1,723,500	1,723,500	2,122,900	2,122,900	2,122,900

II. EXPENDITURE CATEGORY

Personnel Costs	787,000	787,000	787,000	898,500	898,500	898,500	926,900	926,900	926,900
Operating Expenses	199,600	199,600	199,600	220,800	220,800	220,800	225,800	225,800	225,800
Grants, Loans, Benefits	616,900	616,900	616,900	379,800	379,800	379,800	386,200	386,200	386,200
Debt Service				203,000	203,000	203,000	562,000	562,000	562,000
Capital Outlay	55,000	55,000	55,000	21,400	21,400	21,400	22,000	22,000	22,000
TOTAL EXPENDITURES	1,658,500	1,658,500	1,658,500	1,723,500	1,723,500	1,723,500	2,122,900	2,122,900	2,122,900

III. BASE LEVEL BUDGET BY FUND SOURCE

General Fund	369,000	369,000	369,000	377,900	377,900	377,900	387,000	387,000	387,000
Restricted Funds	1,289,500	1,289,500	1,289,500	1,264,800	1,264,800	1,264,800	1,494,800	1,494,800	1,494,800
Regular Total Funds	1,658,500	1,658,500	1,658,500	1,642,700	1,642,700	1,642,700	1,881,800	1,881,800	1,881,800
General Fund Continuing									
TOTAL BASE LEVEL	1,658,500	1,658,500	1,658,500	1,642,700	1,642,700	1,642,700	1,881,800	1,881,800	1,881,800

IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE

General Fund							156,000	156,000	156,000
Restricted Funds				80,800	80,800	80,800	85,100	85,100	85,100
TOTAL ADDITIONAL				80,800	80,800	80,800	241,100	241,100	241,100

V. ADDITIONAL BUDGET ITEMS

1 EXPAN Operations - Additional Staff Support

(083JA0X01) Provide Restricted Funds to support personnel & operating expenses for 2 PFT to prepare water supply & drought response plans. (Tier I fees are levied on all water withdrawn from the KY River Basin & are projected to stay constant at 2.2 cents/1,000 gal.)

Restricted Funds	80,800	80,800	80,800	85,100	85,100	85,100
Total	80,800	80,800	80,800	85,100	85,100	85,100

3 EXPAN Kentucky River Water Storage Enhancements - Debt Service

(083GA01) Provide debt service funds to support Bond Funds totaling \$1,500,000 to support project design and environmental analysis to modify Dam 10 and for geo-technical evaluation of Dam 9 to increase water storage.

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch:		Executive Branch			Agency:					
Cabinet/Function:		Natural Resources and Environmental Protection			Appropriation Unit: Kentucky River Authority					
		<hr/>			<hr/>			<hr/>		
		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		<hr/>			<hr/>			<hr/>		
		House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
		<hr/>			<hr/>			<hr/>		
V. ADDITIONAL BUDGET ITEMS										
3	EXPAN	Kentucky River Water Storage Enhancements - Debt Service								
(083GA01)	Provide debt service funds to support Bond Funds totaling \$1,500,000 to support project design and environmental analysis to modify Dam 10 and for geo-technical evaluation of Dam 9 to increase water storage.									
General Fund								156,000	156,000	156,000
Total								156,000	156,000	156,000
TOTAL ADDITIONAL					80,800	80,800	80,800	241,100	241,100	241,100

FB 2000-2002 BUDGET MODIFICATION REPORT

Kentucky River Authority

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

The Branch Budget recommends Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional Restricted Funds of \$4,900 in FY 2000-2001 is budgeted to provide a guaranteed cost-of-living adjustment (COLA) salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to a proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassification to reduce non-competitive salary market.

Additional Restricted Funds totaling \$80,800 in FY 2000-2001 and \$85,100 in FY 2001-2002 are recommended to support personnel and operating expenses for 2 permanent full-time positions (PFT) to prepare water supply and drought response plans.

Restricted Funds accrue from Tier I fees and Tier II fees assessed on water withdrawn from the Kentucky River Basin. Tier I fees are collected from entities which withdraw over 10,000 gallons/day for non-farm purposes from the River, its tributaries, and reservoirs; receipts are expended for general operating costs and to support the Authority's 4 staff. The Tier I rate is 2.2 cents/1,000 gallons. Tier II fees are assessed on water withdrawn from the main stem; receipts are expended for capital projects to increase the raw water supply. The Tier II rate is 1.6 cents/1,000 gallons.

Provided to continue the Locks and Dams Program are General Fund amounts of \$377,900 in FY 2000-2001 and \$387,000 in FY 2001-2002 for personnel, operating, and capital outlay support for 5 full-time lockmasters and 5 seasonal lockmasters for activities such as management and operations of Locks and Dams 5-14 (10 sites covering 175 acres and 167 river miles), locking and river navigation-related activities, and operating the Kentucky River Water Release System.

Restricted Funds debt service from Tier II fees are recommended for \$4,000,000 Bond Funds that are unissued bonds for the previously-authorized Kentucky River Water Release System and Lock 6 Repairs Project in the amounts of \$203,000 in FY 2000-2001 and \$406,000 in FY 2001-2002.

The Branch Budget Bill, Part II, Capital Projects Budget, provides reauthorization of the following projects: Acquisition of Kentucky River Locks and Dams 5-14, Kentucky River Parks, and Kentucky River Water Release System and Lock 6 Repairs.

The Branch Budget Bill, Part IX, Special Provisions, includes a language provision relating to water withdrawal fees as follows: The water withdrawal fees imposed by the Kentucky River Authority shall not be subject to state and local taxes. Notwithstanding that portion of the provision of KRS 151.710(10) that directs the Natural Resources and Environmental Protection Cabinet to provide administrative services for the Kentucky River Authority, Tier I water withdrawal fees shall be used to support the operations of the Authority and for contractual services for water supply and quality studies.

HOUSE REPORT

The House concurs with the Branch Budget recommendation with the following changes:

FB 2000-2002 BUDGET MODIFICATION REPORT

Kentucky River Authority

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. Funds are provided for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

Additional General Fund support in the amount of \$156,000 for debt service in FY 2001-2002 is provided in Part I, Operating Budget, to support Bond Funds totaling \$1,500,000 for Kentucky River Water Storage Enhancements. In addition to the Bond Funds previously identified, Restricted Funds of \$2,270,000 are provided in FY 2001-2002 for this project. The Branch Budget Bill, Part II, Capital Projects Budget, includes a language provision that directs that the sale of any permanent bonds to finance this project shall occur after January 1, 2001.

The House revises the Part IX, Special Provisions, language relating to water withdrawal fees as follows: The Kentucky River Authority shall continue the same rate level in FB 2000-2002 as is currently assessed in FB 1998-2000.

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and the Senate.

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY

Governmental Branch:	Executive Branch			Agency:					
Cabinet/Function:	Natural Resources and Environmental Protection			Appropriation Unit:			Kentucky River Authority		
FY 1999-2000			FY 2000-2001			FY 2001-2002			
House	Senate	Conference	House	Senate	Conference	House	Senate	Conference	
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Restricted Funds			2,270,000	2,270,000	2,270,000				
Bond Funds			1,500,000	1,500,000	1,500,000				
TOTAL CAPITAL			3,770,000	3,770,000	3,770,000				
II. CAPITAL PROJECTS									
1 (0830012) KY River Water Release System and Lock 6 Repairs- Reauthorization (\$4,000,000 - Agency Bonds)									
Total									
2 (0831408) KY River Water Storage Enhancements									
Restricted Funds			2,270,000	2,270,000	2,270,000				
Bond Funds			1,500,000	1,500,000	1,500,000				
Total			3,770,000	3,770,000	3,770,000				
3 (0830011) Kentucky River Parks - Reauthorization									
Total									
4 (0830002) Locks and Dams - Acquisition - Reauthorization									
Total									
TOTAL			3,770,000	3,770,000	3,770,000				

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CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency:

Cabinet/Function: Natural Resources and Environmental Protection

Appropriation Unit: Environmental Quality Commission

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	249,800	249,800	249,800	267,000	267,000	267,000	258,200	258,200	258,200
Restricted Funds	2,000	2,000	2,000	6,600	6,600	6,600	1,000	1,000	1,000
Regular Total Funds	251,800	251,800	251,800	273,600	273,600	273,600	259,200	259,200	259,200
General Fund Continuing									
GRAND TOTAL FUNDS	251,800	251,800	251,800	273,600	273,600	273,600	259,200	259,200	259,200
II. EXPENDITURE CATEGORY									
Personnel Costs	197,800	197,800	197,800	204,800	204,800	204,800	215,200	215,200	215,200
Operating Expenses	54,000	54,000	54,000	68,800	68,800	68,800	44,000	44,000	44,000
TOTAL EXPENDITURES	251,800	251,800	251,800	273,600	273,600	273,600	259,200	259,200	259,200
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	249,800	249,800	249,800	267,000	267,000	267,000	258,200	258,200	258,200
Restricted Funds	2,000	2,000	2,000	6,600	6,600	6,600	1,000	1,000	1,000
Regular Total Funds	251,800	251,800	251,800	273,600	273,600	273,600	259,200	259,200	259,200
General Fund Continuing									
TOTAL BASE LEVEL	251,800	251,800	251,800	273,600	273,600	273,600	259,200	259,200	259,200

FB 2000-2002 BUDGET MODIFICATION REPORT

Environmental Quality Commission

BRANCH BUDGET

The Branch Budget recommends reduced funding for current services and programs in FB 2000-2002. The budgeted permanent full-time personnel complement totals 4 positions.

*General Fund support for maintenance of current services which is included in the Base Level Budget totals \$16,500 in FY 2000-2001 and \$2,000 in FY 2001-2002 to continue to print and distribute the State of Kentucky's Environment Report.

The Branch Budget recommends Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$700 in FY 2000-2001 and \$6,700 in FY 2001-2002 is budgeted to provide a guaranteed cost-of-living adjustment (COLA) salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to a proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassification to reduce non-competitive salary market.

The Branch Budget Bill, Part IX, Special Provisions, includes a language provision relating to administrative accountability as follows: The Environmental Quality Commission shall be attached to the Secretary's Office, but shall remain a separate budget unit. The Secretary, with the approval of the Commissioners of the Environmental Quality Commission, shall employ a director and other necessary Commission staff who shall serve at the pleasure of the Commission and the Secretary.

HOUSE REPORT

The House concurs with the Branch Budget recommendation with the following changes:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. Funds are provided for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and the Senate.

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency:

Cabinet/Function: Natural Resources and Environmental Protection

Appropriation Unit: Kentucky Nature Preserves Commission

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	786,300	786,300	786,300	918,500	918,500	918,500	931,700	931,700	931,700
Restricted Funds	650,400	650,400	650,400	338,300	338,300	338,300	321,700	321,700	321,700
Federal Funds	40,000	40,000	40,000	25,000	25,000	25,000	25,000	25,000	25,000
Regular Total Funds	1,476,700	1,476,700	1,476,700	1,281,800	1,281,800	1,281,800	1,278,400	1,278,400	1,278,400
General Fund Continuing									
GRAND TOTAL FUNDS	1,476,700	1,476,700	1,476,700	1,281,800	1,281,800	1,281,800	1,278,400	1,278,400	1,278,400
II. EXPENDITURE CATEGORY									
Personnel Costs	1,066,600	1,066,600	1,066,600	916,700	916,700	916,700	963,500	963,500	963,500
Operating Expenses	235,400	235,400	235,400	250,200	250,200	250,200	199,900	199,900	199,900
Grants, Loans, Benefits	129,200	129,200	129,200	93,400	93,400	93,400	93,500	93,500	93,500
Capital Outlay	45,500	45,500	45,500	21,500	21,500	21,500	21,500	21,500	21,500
TOTAL EXPENDITURES	1,476,700	1,476,700	1,476,700	1,281,800	1,281,800	1,281,800	1,278,400	1,278,400	1,278,400
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	786,300	786,300	786,300	918,500	918,500	918,500	931,700	931,700	931,700
Restricted Funds	650,400	650,400	650,400	338,300	338,300	338,300	321,700	321,700	321,700
Federal Funds	40,000	40,000	40,000	25,000	25,000	25,000	25,000	25,000	25,000
Regular Total Funds	1,476,700	1,476,700	1,476,700	1,281,800	1,281,800	1,281,800	1,278,400	1,278,400	1,278,400
General Fund Continuing									
TOTAL BASE LEVEL	1,476,700	1,476,700	1,476,700	1,281,800	1,281,800	1,281,800	1,278,400	1,278,400	1,278,400

FB 2000-2002 BUDGET MODIFICATION REPORT

Nature Preserves Commission

BRANCH BUDGET

The Branch Budget recommends reduced funding for current services and programs in FB 2000-2002 by not funding filled positions and vacancies existing on September 1, 1999, and operating expenses identified in the Maintenance and Replacement of Restricted Funds Requests. The recommended personnel authorization is for 23 permanent full-time positions of which 21 are budgeted. Also, the entire complement of six Interim Positions is authorized but no moneys are budgeted for this purpose.

*Maintenance Budget Request Items recommended in the Base Level General Fund Budget total \$128,200 in FY 2000-2001 and \$123,200 in FY 2002-2002 and provide personnel and operating support of \$96,700 in FY 2000-2001 and \$101,700 in FY 2001-2002 for 2 filled PFT, and \$10,000 in FY 2000-2001 for computer replacements.

*Replacement of Restricted Funds Budget Request Items recommended in the Base Level General Fund Budget total \$21,500 each fiscal year for one replacement vehicle each fiscal year for the Stewardship programs.

The Branch Budget recommends Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$37,600 in FY 2000-2001 and \$46,600 in FY 2001-2002 and Restricted Funds of \$4,900 in FY 2000-2001 and \$5,200 in FY 2001-2002 is budgeted to provide a guaranteed cost-of-living adjustment (COLA) salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to a proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassification to reduce non-competitive salary market.

The Branch Budget Bill, Part II, Capital Projects Budget, provides reauthorization of the Nature Preserves Acquisition Fund and additional funding in each fiscal year of \$300,000 of privately raised moneys identified as Other Funds.

HOUSE REPORT

The House concurs with the Branch Budget recommendation with the following changes:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. Funds are provided for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and the Senate.

CONFERENCE BUDGET REPORT ANALYSIS
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency:

Cabinet/Function: Natural Resources and Environmental Protection

Appropriation Unit: Kentucky Nature Preserves Commission

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	House	Senate	Conference	House	Senate	Conference	House	Senate	Conference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Other Funds				300,000	300,000	300,000	300,000	300,000	300,000
TOTAL CAPITAL				300,000	300,000	300,000	300,000	300,000	300,000
II. CAPITAL PROJECTS									
1 (3750007) Nature Preserves Acquisition Fund - Reauthorization									
Other Funds				300,000	300,000	300,000	300,000	300,000	300,000
Total				300,000	300,000	300,000	300,000	300,000	300,000
TOTAL				300,000	300,000	300,000	300,000	300,000	300,000

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